AN ORDINANCE BY THE PUBLIC SAFETY AND LEGAL ADMINISTRATION COMMITTEE -0125

AUTHORIZING SETTLEMENT OF ALL CLAIMS OF ATLANTA ENTERTAINMENT ENTERPRISES, INC., d/b/a EUPHORIA IN THE CASE OF ATLANTA ENTERTAINMENT ENTERPRISES, INC., d/b/a EUPHORIA v. THE CITY OF ATLANTA, ET AL., CIVIL ACTION FILE NO. 2001-CV-43157, IN THE SUPERIOR COURT OF FULTON COUNTY, TO ALLOW FOR A SEVENTY FIVE PERCENT (75%) REDUCTION IN THE FEES DUE THE CITY OF ATLANTA FOR THE ESTABLISHMENTS' 2003 ALCOHOLIC BEVERAGE RENEWAL FEES; AND FOR OTHER PURPOSES.

WHEREAS, on September 25, 2001, Atlanta Entertainment Enterprises d/b/a Euphoria initiated the present action and petitioned the Superior Court of Fulton County for temporary injunctive relief to prevent the Atlanta Police Department's continued enforcement of Section 10-12 and Section 10-13 (2) of the Code of Ordinances of the City of Atlanta, Georgia at their establishment, located at 208 Pharr Road; and

WHEREAS, on September 26, 2001, Fulton County Superior Court Judge Philip Etheridge issued an order granting Euphoria temporary injunctive relief thereby preventing the Atlanta Police Department's enforcement of Section 10-12 and 10-13 (2) of the Code of Ordinances of the City of Atlanta, Georgia at 208 Pharr Road; and

WHEREAS, the lawsuit stems from the alleged events surrounding the enforcement of Section 10-12 and Section 10-13 (2) of the Code of Ordinances of the City of Atlanta, Georgia by the Atlanta Police Department at Euphoria on Friday, September 21, 2001 and Saturday, September 22, 2001, and the alleged damages incurred by the establishment as a result of these actions; and

WHEREAS, on November 13, 2001, the exemption provided for in Section 10-13 (2) was removed to reflect the City of Atlanta's concern that individuals under the age of 21 were allowed on the premises of a nightclub licensed to sell alcoholic beverages; and

WHEREAS, the Plaintiffs and their counsel have agreed to accept a seventy five percent (75%) reduction of the 2003 alcoholic beverage renewal fees due the City of Atlanta, resulting in an approximate \$6,000.00 reduction and \$2,000.00 payment to the City of Atlanta, in settlement of all claims against the City of Atlanta; and

WHEREAS, by this settlement, Defendants admit no liability; and

WHEREAS, the City Attorney has done an extensive review of the facts and law and has determined that the City's potential financial exposure is far in excess of the settlement amount; and

WHEREAS, the offer of settlement in the opinion of the City Attorney, is in the City's best interest and appropriate to settle all claims against Defendants arising out of the case of Atlanta Entertainment Enterprises, Inc., d/b/a Euphoria v. The City Of Atlanta, et al.

NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA as follows:

SECTION 1. The City Attorney is hereby authorized to conclude settlement of all claims against the City of Atlanta arising out of the lawsuit filed by Atlanta Entertainment Enterprises, Inc., d/b/a Euphoria in the Superior Court of Fulton County, Civil Action File No. 2001-CV-43157.

SECTION 2. The Chief Financial Officer is authorized to reduce by seventy five percent the 2003 alcoholic beverage renewal fees for Atlanta Entertainment Enterprises, Inc., d/b/a Euphoria in full satisfaction of payment due the City of Atlanta for Atlanta Entertainment Enterprises, Inc., d/b/a Euphoria's 2003 alcoholic beverage renewal fees. Such reduction in fees will be in full consideration of the dismissal of all claims against the Defendants.

SECTION 3. The provisions of Section 10 - 60 of the Code of Ordinances of the City of Atlanta, Georgia are hereby waived in this instance only, for the sole purpose of accomplishing settlement of all claims against the City of Atlanta arising out of the lawsuit filed by Atlanta Entertainment Enterprises, Inc., d/b/a Euphoria in the Superior Court of Fulton County, Civil Action File No. 2001-CV-43157.